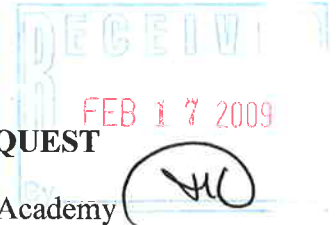


Arizona State Board for Charter Schools

1700 W. Washington St., Room 164, Phoenix, AZ 85007

(602) 364-3080 Fax (602) 364-3089

www.asbcs.az.gov



PROCUREMENT LAWS EXCEPTION AMENDMENT REQUEST

(Charter Holder Name) Laveen Preparatory School: a Challenge Foundation Academy

(CTDS) _____

(Charter Holder Mailing Address) 4447 W. Keating Cr.

(City, State) Glendale (Zip) 85308

(Charter Representative's Name) Cuyler Reid

(Phone Number) 602.843.5840 (Fax Number) 602.843.7209

Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.

✚ Exception to the Procurement Laws – (This exception will not be granted to State Board of Education sponsored charter schools)

Included are the following:

- Board minutes approving the change (minutes must comply with Open Meeting Law ARS §38-431.01)
- Complete policy for procuring goods and services (sample policy available on the ASBCS website)

PLEASE NOTE: Charter operators granted an exception to local and state procurement regulations under A.R.S. §15-183(E)(6) are still required to satisfy the federal procurement requirements as a condition to the receipt of certain federal funds.

The Arizona State Board for Charter Schools and Laveen Preparatory School: a Challenge Foundation Academy (Charter Holder), herein agree to amend the terms of the charter contract as follows:

In witness whereof, Charter Holder has signed this contract amendment as of this _____ day of _____, 200____, and the State Board for Charter Schools has signed this contract amendment as of this _____ day of _____, 200____, to take effect at such time as it is signed by both parties.



Charter Representative Signature

Representative Signature for the Arizona State Board for Charter Schools

9/10/07



*Laveen Preparatory School: a Challenge Foundation Academy
dba
Pioneer Preparatory School: a Challenge Foundation Academy*

Purchasing & Procurement Policy

Pioneer Preparatory School: a Challenge Foundation Academy will follow accounting policies and procedures that comply with generally accepted accounting principles (GAAP).

Any procurement of goods and services shall be made by the procurement officer/authorized agent, in the best interest of the school, upon considering the totality of the circumstances surrounding the procurement, which may include but not be limited to, price, quality, availability, timelines, reputation and prior dealings.

Pioneer Preparatory School: a Challenge Foundation Academy shall not purchase any goods or services from any member of the governing board, an immediate family member of any member of the governing board nor from any entity in which any member of the governing board or an immediate family member of a governing board member may benefit from such a procurement, unless authorized by the governing board after a full disclosure of the potential benefits, and after the consideration set forth in paragraph 1 above.

Pioneer Preparatory School: a Challenge Foundation Academy understands that the policy cited above applies to purchases made using non-federal funds. As a condition of the receipt of certain federal funds, federal procurement requirements still apply.

Approved by the Governing Board, October 30, 2007

Pioneer Preparatory School offers equal opportunity in enrollment and employment.

Arizona State Board for Charter Schools

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USFRCS EXCEPTION AMENDMENT REQUEST

(Charter Holder Name) Laveen Preparatory School: a Challenge Foundation Academy

(CTDS) _____

(Charter Holder Mailing Address) 4447 W. Keating Cr.

(City, State) Glendale (Zip) 85308

(Charter Representative's Name) Cuyler Reid

(Phone Number) 602.843.5840 (Fax Number) 602.843.7209

Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.

- ✚ Exception to the USFRCS -- (This exception will not be granted to State Board of Education sponsored charter schools)

Included are the following:

- Board minutes approving the change (minutes must comply with Open Meeting Law ARS §38-431.01)
- Complete policy for accounting (sample policy available on the ASBCS website)

All exceptions to the USFRCS will include:

- Charter Holder must utilize Generally Accepted Accounting Principles
- The Charter Holder is **NOT** exempt from filing the Annual Financial Report, the school report card data, annual auditing requirements, or any financial report request from the Arizona State Board for Charter Schools, the Auditor General, and the Arizona Department of Education
- The Charter Holder is responsible for any "cross-walks" necessary to complete reporting requirements

The Arizona State Board for Charter Schools and Laveen Preparatory School: a Challenge Foundation Academy Charter Holder), herein agree to amend the terms of the charter contract as follows:

In witness whereof, Charter Holder has signed this contract amendment as of this _____ day of _____, 200____, and the State Board for Charter Schools has signed this contract amendment as of this _____ day of _____, 200____, to take effect at such time as it is signed by both parties.



Charter Representative Signature

Representative Signature for the Arizona State Board for Charter Schools



*Laveen Preparatory School: a Challenge Foundation Academy
dba
Pioneer Preparatory School: a Challenge Foundation Academy*

Accounting Policy

Pioneer Preparatory School: a Challenge Foundation Academy will follow accounting policies and procedures that comply with generally accepted accounting principles (GAAP).

This includes using an accounting system that provides for the proper recording and reporting of financial data and following standard internal control procedures.

The school will utilize a chart of accounts that has been developed to align with the chart of accounts found in the Uniform System of Financial Records for Charter Schools (USFRCS) for the purposes of complying with budgeting and annual financial reporting.

Revisions will be made periodically for changes in laws, regulations and accounting pronouncements that cover charter school accounting, financial reporting and compliance with state and federal laws.

Approved by the Governing Board, October 30, 2007

Pioneer Preparatory: A Challenge Foundation Academy
Meeting Minutes: October 30, 2007

Board Members Present: BJ Steinbrook, Steve Bryan (by phone) Bill Imparato, Jason Klonoski, Joan Lange, Cheryl Reinstadler

Absent: Clint Bolick

Also present: Cuyler Reid, Challenge Foundation Consultant and School Director, Craig Sorensen, representative Modular Technology and John Todd, CPA

The meeting was called to order at 2:04pm by BJ.

Joan moved to accept the September 26th, 2007 minutes and Bill seconded the motion. The motion carried unanimously.

Steve updated the Board on the Challenge Foundation Properties. He reported that the agreements with DRMI and Modular Technology are ready to sign.

Craig Sorensen gave a brief report on progress, meeting with DRMI and presented an initial sketch of a possible school design so the Board could begin the discussion on design.

Steve continued the discussion regarding the properties, schedule, pricing, comps, etc. Bill offered to obtain a list of comps and Cuyler will ask the real estate agent to provide one also. There was lengthy discussion regarding the acquisition of parcels 3 & 4 and it was agreed that before a commitment was made, more due diligence was needed with respect to price, terms, etc.

Cuyler reviewed the progress being made on governance issues such as fingerprint cards and insurance. She reported that an advisory council had been assembled and they would meet next week to get started on advertising, parent communication, etc.

Discussion was held on the bylaws and their finalization. BJ, Bill and Cuyler agreed to work on the bylaws and continue the discussion at the next meeting.

Cuyler outlined the remaining paperwork needed to formalize the charter contract signing. She also reviewed the requirements needed for amendment and procurement policies.

It was moved by Jason to proceed with the necessary steps to secure the amendment and procurement submission forms and the paperwork needed for signature of the contract. The motion was seconded by Joan and carried unanimously.

A motion was made by Bill and seconded by Jason to give Cuyler permission to go forward with the contract signing upon BJ's approval. The motion carried unanimously.

Cuyler reported that a Federal CPS grant was awarded to Pioneer Preparatory and she presented the budget narrative that outlined the expenditures. She also reported that the Board has a representative with Wells Fargo to assist with the federal dollars. Cuyler's travel expenses, salary and miscellaneous expenses were discussed.

The Board looked at the school sketch left by Craig Sorensen and it was decided that the Board would move forward on a site plan after the meeting with Craig the morning of the 31st.

The next meeting date is set for November 27, 2007 at 2:00 pm in Phoenix.

Joan moved the meeting be adjourned and Cheryl seconded.

The meeting was adjourned at 3:54 pm.